

<u>Annual Report Rate</u> - The Annual Report rate includes fraud, non-fraud recoverable overpayments, and non-fraud non-recoverable overpayments. All causes and responsible parties are included in this rate.

<u>Operational Rate</u> - The Operational rate includes those overpayments that the states are reasonably expected to detect and establish for recovery -- fraud and non-fraud recoverable overpayments, excluding work search, employment service registration, base period wage issues and miscellaneous causes, such as benefits paid during a period of disqualification, redeterminations, and back pay awards.